THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR): (a) Net profit of VSNL has increased by 111% in the year 2000-2001.

(b) Turnover during the year has increased by 10.30%.

(c) The net profit for the year ended 31.3.2000 was adversely affected due to write-off of Rs. 512.75 crores in respect of ICO investment. Had this write-off not been required to be made, the profit for the year 31.3.2000 would have been Rs. 1352.02 crores and the current year profit would be higher only by 31%. This increase in the net profit in 2000-2001 has been due to:

(i) Growth in International telephone volume by 20%.

(ii) Growth in International Private Land Circut (IPLC), Frame Relay, Internet Services.

(iii) Increase in other income.

Illegal Call Racket in Sanchar Bhavan

215. SHRI ABANI ROY: Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether Government's attention has been drawn to the newsitem captioned "Sanchar Bhawan turns into illegal PCO" which appeared in the Hindustan Times dated the 29th June, 2001;

(b) if so, whether the telephone lines in the Sanchar Bhavan are grossly misused by unscrupulous persons causing loss to Government;

(c) whether several private telephone operators are also involved in the racket; and

(d) if so, the steps taken by Government to check such racket?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR): (a) Yes, Sir.

(b) The matter is under investigation by the Crime Branch of the Delhi Police. FIRs have been lodged by the Crime Branch of the Delhi Police. The matter has also been brought before the Court of Law by the Delhi Police.

(c) The matter is under investigation by the Crime Branch of the Delhi Police.

(d) All the four officials (Farasbes) suspected to be involved in the case have been suspended from service. Simultaneously, orders have also been issued to curb such happenings.

Recommendation of Expenditure Reforms Commission on Corporation of Postal Services

216. SHRI ABANI ROY**:** Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether the Postal Department has strongly opposed the Expenditure Reforms Commisison's recommendation to corporatise the Department and give up its monopoly on mail services;

(b) if so, whether in view of stiff opposition from the Postal Department, Government propose to re-examine the aspect of corporatisation of postal services; and

(c) if so, by when and if not, the reasons therefore?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR): (a) The Expenditure Reforms Commission has not recommended corporatisation of the Department. It has stated that the Indian Post Office Act 1898 needs to be totally overhauled by providing a legal basis to the privately operated couriers and withdrawing the legal protection of monopoly over letter services to the Posts. It has proposed that the premium services of Post should be corporatised and the present Postal Services Board should be strengthened and should have a statutory status with enhanced adminsitrative and financial powers. The Department has taken the view that in so far as the mail services are concerned, particularly the letter post, there is Universal Service Obligation (USO) of the Department and this cannot be parted with. Even in developed countries after a long period of corporatisation they continue to have obligations relating to letter post as part of Universal Services Obligation. It continues to be